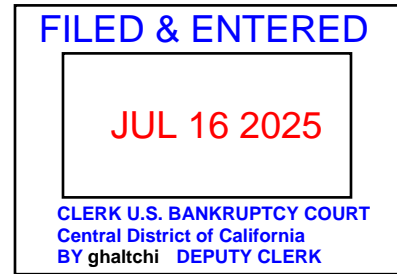


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CHANGES MADE BY COURT

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

In re
LESLIE KLEIN,

Debtor.

Case No. 2:23-bk-10990-NB

Chapter 11

**ORDER GRANTING MOTION OF
CHAPTER 11 TRUSTEE FOR ORDER
APPROVING SETTLEMENT BETWEEN
THE TRUSTEE AND KENNETH KOLEV
KLEIN AND SHOSHANA SHIFRA
KLEIN PURSUANT TO BANKRUPTCY
RULE 9019**

Date: July 15, 2025
Time: 2:00 p.m.
Place: Courtroom 1545
255 E. Temple Street
Los Angeles, CA 90012

The Court has considered the *Motion of Chapter 11 Trustee for Order Approving Settlement Between the Trustee and Kenneth Kolev Klein and Shoshana Shifra Klein Pursuant to Bankruptcy Rule 9019* (the “**Motion**”)¹ [Docket No. 1156], filed by Bradley D. Sharp, in his capacity as Chapter 11 Trustee (the “**Trustee**”) of the bankruptcy estate of Leslie Klein, and the Declaration of Bradley D. Sharp (the “**Sharp Declaration**”), filed in support of the Motion, pursuant to which the Trustee

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

sought approval of a settlement agreement, dated June 20, 2025 (the “**Settlement Agreement**”) by and between the Trustee, on behalf of the Estate, and Kenneth Kolev Klein and Shoshana Shifra Klein, the opposition to the Motion, filed by Leslie Klein & Associates [Docket No. 1163] (the “**Opposition**”), the response to the Opposition, filed by Kenneth Klein and Shoshana Klein [Docket No. 1167] (the “**K & S Klein Response**”), and the reply to the Opposition, filed by the Trustee (the “**Trustee’s Reply**”, and together with the K & S Klein Response, the “**Replies**”). The terms of the settlement (the “**Settlement**”) are specifically set forth in the Settlement Agreement, a copy of which is attached to the Sharp Declaration. Based upon the Court’s review of the Motion, the Sharp Declaration, the Opposition, the Replies, the Settlement, and for the reasons set forth in the Court’s tentative ruling annexed hereto as **Exhibit 1**, as well as additional reasons set forth by the Court at the July 15, 2025 hearing on the Motion, the Court finds that (1) the relief requested in the Motion is reasonable, appropriate, and in the best interests of the Parties; and (2) notice of the Motion was adequate and appropriate under the circumstances and no further notice be given,

IT IS HEREBY ORDERED :

1. The Motion is granted and the Settlement and the Settlement Agreement are approved in their entirety.

2. The Opposition is overruled and stricken from the record; and alternatively is overruled on the merits.

3. The Trustee is authorized to enter into and take any and all actions reasonably necessary to effectuate the Settlement Agreement.

4. Promptly after completion of payment under the Settlement Agreement, the Parties will cooperate in dismissing the Appeal, with prejudice, including the filing of a stipulation reflecting completion of the Settlement.

//

Neil W. Bason
United States Bankruptcy Judge

EXHIBIT 1

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, July 15, 2025

Hearing Room 1545

2:00 PM

2:23-10990 Leslie Klein

Chapter 11

#8.00 Cont'd Status Conference re: Chapter 11 Case
fr. 4/8/25, 4/22/25, 05/01/25, 5/6/25, 5/20/25, 6/3/25,
6/17/25, 6/24/25

Docket 1

Tentative Ruling:

Tentative Ruling for 7/15/25:
Appearances required.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

(1) Current issues

(a) Trustee's motion for order enforcing the automatic stay and for sanctions (dkt. 969, "Stay Violation Motion"), interim Orders (dkt. 1026, 1033, 1034, 1092); latest papers (dkt. 1102, 1127, 1157, 1161, 1162)

Subject to Trustee's counsel providing offers of proof at the hearing, the tentative ruling is to grant the remaining relief as set forth in the tentative ruling for Calendar 7 on today's calendar (7/15/25 at 2:00 p.m.).

(b) Trustee's motion to approve settlement with Kenneth and Shoshana Klein (the "Settling Parties") pursuant to Rule 9019 (Fed. R. Bankr. P.) (dkt. 1156, "Settlement Motion"), Tardily filed opposition of Leslie Klein & Associates ("LK&A") (dkt 1163), Settling Parties' reply papers (dkt. 1167), Trustee's Reply papers (dkt. 1168)

The tentative ruling is to strike the untimely opposition of LK&A on the

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, July 15, 2025

Hearing Room 1545

2:00 PM

CONT...

Leslie Klein

Chapter 11

grounds that (x) LK&A's papers state that it is acting in pro per (dkt. 1163, p. 1) which is in violation of LBR 9011-2(a)(prohibiting corporate entities from appearing without counsel); and (y) the opposition papers are untimely.

Alternatively, even if this Court were to consider LK&A's tardily filed opposition, the tentative ruling is to overrule the opposition and grant the Settlement Motion because:

- (i) LK&A lacks standing, for the reasons set forth in the Reply papers;
- (ii) the opposition papers are not supported by any evidence;
- (iii) LK&A's belated and improper request to be permitted to present Debtor's testimony at this hearing, despite having failed to file any timely opposition or any declaration in support of its belated opposition, is too little too late;
- (iv) any alleged unjust enrichment has not been established - e.g., there is no accounting showing that the funds came from LK&A (and Trustee alleges that they did not), and there is no accounting for the value of occupancy of the property - and in any event LK&A has not cited any factual or legal grounds to show that it is subrogated to, or entitled to enforce, any rights under 11 U.S.C. 550(e), or is otherwise entitled to assert the claims that it now asserts;
- (v) despite the alleged coercion, duress, and unfairness of the settlement to the Settling Parties, those settling parties deny any such allegations and expressly support the settlement; and
- (vi) LK&A fails to provide any cognizable grounds to conclude that the settlement falls below the lowest range of reasonableness and hence that this Court has any basis to override Trustee's discretion in entering into the settlement.

(c) Adversary proceeding status conferences for Adv. Nos. 2:23-ap-01150-NB (Vago et al. v. Klein), 2:23-ap-01153-NB (Mermelstein v. Klein), 2:23-ap-01167-NB (Sharp v. Klein et al.), 2:23-ap-01169-NB (Berger v. Klein), and 2:24-ap-01140-NB (Sharp v. Klein et al.)

Please see the tentative rulings for calendar nos. 10-13 on today's 2:00 p.m. calendar.

Proposed orders: Unless otherwise ordered, Trustee is directed to

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, July 15, 2025

Hearing Room 1545

2:00 PM

CONT...

Leslie Klein

Chapter 11

lodge proposed orders on each of the foregoing motions via LOU within 7 days after the hearing date and attach a copy of this tentative ruling, thereby incorporating it as this Court's actual ruling. See LBR 9021-1(b)(1)(B).

(2) Dates/procedures. This case was filed on 2/22/23 as a Subchapter V case. The petition was amended to remove the Subchapter V election and proceed as a chapter 11 case on 3/8/23. See dkt. 33, 37 & 43. On 5/17/23 this Court directed the appointment of a chapter 11 trustee (dkt. 142) and on 5/24/23 Bradley D. Sharp was appointed as trustee. Dkt. 151, 154, 155 & 156.

- (a) Bar date: 5/3/23 (see dkts. 10, 12 & 18)
- (b) Procedures Order: dkt. 950 (timely served, dkt. 953)
- (c) Plan/Disclosure Statement: file by 9/15/25 (DO NOT SERVE - except on the U.S. Trustee). See Procedures Order.
- (d) Continued status conference: 8/5/25 at 2:00 p.m., concurrent with other matters. No written status report required.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Leslie Klein

Pro Se

Trustee(s):

Bradley D. Sharp (TR)

Represented By
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